

## FISCAL NOTE

### SB 975 - HB 1782

February 24, 2001

#### SUMMARY OF BILL:

- Effective September 1, 2001, increases sales tax rate on each sale at retail with respect to fees for subscription to, or use of television programming or television services provided by a cable television service provider or by a provider of wireless cable television services (multipoint distribution service/multichannel multipoint distribution service).
- The rate increases applies as follows:

<b>Bill Amount</b>	<b>Current State Tax</b>	<b>Current Local Tax</b>	<b>Proposed State Tax</b>	<b>Proposed Local Tax</b>
\$0.01 - \$15.00	None	None	None	None
\$15.01 - \$27.50	8.25%	None	12%	None
\$27.51 and up	6.00%	2.25%	6.00%	2.25%

#### ESTIMATED FISCAL IMPACT:

**Increase State Revenues - \$10,688,636 FY01-02**  
**\$14,251,515 FY02-03 and thereafter**

Estimate assumes:

- State Sales tax collections at 8.25% for a one-year period are approximately \$31,353,333. (For information purposes state revenue collections for this tax from January 2000 - September 2000 were \$23,515,000.)
- The total revenue generated at a tax rate of 12% is approximately \$45,604,848.
- The total increase in state revenues on an annual basis is estimated to be approximately \$14,251,515.
- The total increase in state revenues for a period from September 1, 2001 to June 30, 2002 is estimated to be approximately \$10,688,636.

#### CERTIFICATION:

This is to duly certify that the information contained herein is true and correct to the best of my knowledge.



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James A. Davenport, Executive Director

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